# IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE NASHVILLE DIVISION

CONCORD MUSIC GROUP, INC., ET AL.,

Plaintiffs,

v.

ANTHROPIC PBC,

Defendant.

Case No. 3:23-cv-01092

Chief Judge Waverly D. Crenshaw, Jr. Magistrate Judge Alistair Newbern

# <u>DECLARATION OF KENTON DRAUGHON</u> IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION

- I, Kenton Draughon, hereby declare, pursuant to 28 U.S.C. § 1746, as follows:
- 1. I am the Vice President of Administration and Operations for Capitol CMG, Inc. ("CCMG"). I have held this position since 2011 and have been employed by CCMG (f/k/a EMI Christian Music Group, Inc.) since 1995. In my current role, I lead CCMG's music publishing division in all copyright administration, licensing, and royalty tracking efforts, while providing operational support for financial, contractual, and technology needs. I am based out of CCMG's headquarters in Nashville, Tennessee (where we moved this month from Brentwood), and I live in Nashville.
- I submit this Declaration on behalf of Plaintiff CCMG in support of Plaintiffs'
   Motion for Preliminary Injunction.
- 3. I have knowledge of the facts stated herein based on personal knowledge through my employment with CCMG and my review of the documents and websites referenced herein. If called upon as a witness, I could and would testify competently to the information contained herein.

#### CCMG'S WORK AS A MUSIC PUBLISHER AND ITS MUSICAL COMPOSITIONS

- 4. Capitol CMG, Inc. ("CCMG") is the leading music publisher in the faith-based entertainment industry, representing and advocating on behalf of iconic songwriters in the Christian and gospel communities. CCMG develops songwriters and artists with a Christian faith, who often make music specifically for use in church worship services, Christian music radio or songs that span multiple musical genres, all from a Christian world view. Christian music can be defined by its lyrical content or the faith of its creators. This makes control, credit, and licensing an important component to the Christian music publishing industry.
- 5. CCMG is part of Universal Music Publishing Group ("UMPG"), one of the largest music publishers in the world.
- CCMG owns and/or controls exclusive rights with respect to an award-winning 6. catalog of copyrighted musical compositions, including chart-topping hits on both the Christian and mainstream music charts. These copyright interests are among CCMG's primary assets and at the core of its business.
- 7. In the above-captioned case, CCMG claims infringement of the 31 musical compositions identified at lines 67, 77, 79, 92, 101, 121, 137, 149, 193, 203, 206, 209, 212, 220-21, 227, 231, 235, 248, 251-52, 265, 271, 282, 286, 298, 309, 345, 348, 353, and 480 in Exhibit A to the Complaint, ECF No. 1-3 (the "CCMG Works"), including the lyrics contained in them. These CCMG Works include such chart-topping hits as "10,000 Reasons," "Dare You To Move," and "Let You Down."
- 8. CCMG owns the entirety, or is the exclusive licensee in the United States, of one or more of the rights provided in 17 U.S.C. § 106 for the CCMG Works. CCMG possesses and exploits its exclusive rights, among other things, to reproduce and/or distribute the CCMG Works

to the public, including the lyrics contained in those Works, and to license these exclusive rights, including the exercise of these rights over the internet.

9. The copyrights to the CCMG Works have been duly registered with the U.S. Copyright Office, and the corresponding copyright registration numbers are listed in Exhibit A to the Complaint. Many of the copyright registrations to the CCMG Works identify CCMG as a named claimant and/or author. Where the copyright registrations to the CCMG Works do not identify CCMG as a named claimant or author, CCMG has acquired its ownership interest in the compositions either by acquiring ownership or an exclusive license through its acquisition of, or merger with, another entity (i.e., as a successor-in-interest to the original named copyright claimant); and/or by acquiring ownership or an exclusive license from a third party via written agreement. CCMG has the right to assert claims for infringement of the CCMG Works in this case.

## CCMG'S LICENSING OF ITS COPYRIGHTED WORKS

10. As a music publisher, a core part of CCMG's business is negotiating and entering into licensing agreements with respect to the CCMG Works and the other faith-based musical compositions in CCMG's catalog. Although CCMG is a member of UMPG, CCMG negotiates the majority of its licensing deals itself. These licenses ensure that CCMG and the songwriters we represent retain control over the exploitation of their compositions, which can be particularly important given the faith-based nature of those works, and receive compensation for authorized uses of those works. CCMG relies on these licenses to earn revenue from our catalogs of musical compositions, to compensate our songwriters, and to further our mission of promoting songwriters and their creation of Christian music.

- 11. CCMG has entered into various licensing agreements for the lyrics to the CCMG Works specifically. As a Christian music publisher, many of the licenses CCMG enters into are focused on the Christian and gospel communities. For instance, CCMG has licensed its lyrics to Christian Copyright Licensing International ("CCLI"), through which CCMG licenses its lyric reproduction rights for use in church services. CCMG's income from its CCLI licensing constitutes a substantial portion of CCMG's revenues. Similarly, CCMG has also licensed its lyrics to PraiseCharts.com, a website that provides licensed digital sheet music for popular praise and worship songs. Additionally, CCMG has licensed its lyrics to MultiTracks.com, in connection with church karaoke performances.
- 12. Beyond these licenses with CCLI, PraiseCharts.com, and MultiTracks.com, CCMG has also entered into lyrics licenses with lyric aggregators like MusixMatch and LyricFind, lyric websites, and other digital platforms like Meta and YouTube. More broadly, CCMG licenses the CCMG Works and other musical compositions for various other uses in sound recordings, public performances, printed sheet music, commercials, advertisements, motion pictures, television shows, and numerous digital services.
- 13. Given the importance of protecting our songwriters' exclusive rights in their musical compositions, as well as the faith-based nature of those works, the licensing agreements that CCMG enters into include important safeguards.
- 14. For example, CCMG's licenses often require proper attribution of the lyrics and inclusion of copyright notices.
- 15. Separately, these licensing agreements also typically preclude alteration of the lyrics.

- As a result of all of these licensing agreements, consumers have a variety of ways 16. to enjoy CCMG's musical compositions and their lyrics through authorized, legitimate channels. By contrast, when CCMG's lyrics are used without licenses or authorization, CCMG takes steps to enforce its copyrights and prevent those unauthorized uses.
- 17. For purposes of this case, I have confirmed that the lyrics to the CCMG Works available on the lyric aggregator LyricFind.com are genuine and materially accurate.
- 18. Anthropic PBC ("Anthropic") has never sought or secured a license from CCMG for any CCMG musical compositions, including the CCMG Works.

## ANTHROPIC'S HARM TO CCMG

- 19. I have used Anthropic's Claude AI model on the website <a href="https://claude.ai/">https://claude.ai/</a>, including entering queries into Claude requesting the lyrics to certain CCMG Works, to which I received various responses from Claude that copy portions of CCMG's lyrics. I have also reviewed Claude responses collected by others that similarly copy CCMG's lyrics.
- 20. As discussed previously, CCMG licenses the CCMG Works and the lyrics contained in them in a number of different ways, including through lyric aggregators, lyric websites, and other digital services. When Anthropic exploits CCMG's lyrics as part of its Claude AI models without a license, that unauthorized use undermines the value of the CCMG Works and the actual and potential licensing market for the CCMG Works, in a host of ways. Among other things, CCMG is deprived of licensing revenues, our songwriters are denied their royalties, the broader demand for licenses is undercut, the value of the CCMG Works is diminished, and CCMG's ability to exploit its works and negotiate licenses is undermined.
- 21. Beyond these market harms, Anthropic's unlicensed use of the CCMG Works irreparably damages CCMG and our songwriters in many other ways.

- 22. First, CCMG and our songwriters are extremely concerned about maintaining control over the exploitation of the CCMG Works and maintaining a high level of trust surrounding the theology of their lyrics. Our work in the Christian music community makes it particularly important that we be able to control how our works are exploited and ensure that those uses are not inconsistent with our faith-based music and overall mission. Our songwriters are very concerned about the ways in which their works are used and the impact on their reputations in the faith-based music community. For instance, the majority of our songwriter agreements include specific restrictions on licensing in connection with marketing products or services that may be inconsistent with the underlying faith-based message and meaning of the works. The unauthorized mashup of a CCMG work with an explicit lyric work creates an enormous risk of causing permanent damage to a songwriter's trust in the church. Anthropic, by using the CCMG works without our permission, is stealing our ability to control the exploitation of these works, harming CCMG and our songwriters in irreversible and immeasurable ways.
- 23. Second, attribution rights are very important for CCMG and our songwriters. For instance, CCMG's license with CCLI requires that licensed copies of CCMG's lyrics include songwriter credits. Churches and ministries often require permission for uses of songs beyond the scope of a CCLI license for weddings, funerals, or fund raisers. A church's ability to identify the songwriters and license administrators of a work is crucial in the proper licensing of subsequent uses. When Anthropic copies CCMG's lyrics but fails to include proper attribution, Anthropic denies our songwriters recognition for their works of artistic creation and deprives CCMG of credit for its investment in these works, causing additional irreparable harm.
- 24. Third, CCMG and our songwriters exert great care to ensure that the lyrics to the CCMG works are not altered or changed in ways that are inconsistent with the faith-based

messages of those works. In the past, CCMG songwriters have declined requests to change just a few words in a given song, given that even very minor changes in lyrics can have an outsized impact on the meaning of a song. For example, changing a lyric from "On that cross, as Jesus died, the wrath of God was satisfied" to the requested change of "On that cross, as Jesus died, the love of God was magnified" spurs theological debates over God's wrath and role in Jesus' death, resulting in entire denominations choosing to drop the song from their worship services. These concerns are particularly serious given the deep religious meaning and significance of these works to the songwriters and consumers. As a result, the majority of CCMG's songwriter agreements prohibit alteration of the lyrics or general melody of musical compositions without the permission of the songwriter. When Anthropic's Claude AI takes CCMG's lyrics and alters them in a way that changes the original meaning of the song, either via a "mash-up" or by distorting the genuine lyrics in some other way, that is deeply offensive and causes enormous harm to CCMG and its songwriters. For instance, when Claude is prompted to "write an Atheist version of Meant to Live by Switchfoot," the AI model intersperses the lyrics to that song (to which CCMG owns the rights) with text that is completely antithetical to the original Christianbased meaning of the song, such as "You're more than dogma and fear / Open your eyes to see clearly / You were not made from delusions my dear." If a Claude rewrite or "mash-up" of lyrics to a CCMG Work that twisted the original meaning of the song to instead have an anti-Christian message went viral or otherwise spread, that could lead churches and other licensees to drop the song and distance themselves from the songwriter more broadly, irreparably damaging the value of the work as well as the songwriter's reputation.

25. Fourth, when entities like Anthropic use CCMG's lyrics without properly licensing them, that hurts CCMG's ability to license the lyrics to others. As discussed above, there is a well-established licensing market for lyrics. Indeed, the lifespan of a CCLI license for church use of a popular CCMG work can last multiple decades. The demand for lyric-based products by thousands of amateur church musicians trying to perform these songs weekly is a key part of CCMG's business and the licensing of those tools helps protect the authenticity of those lyrics. Anthropic's unlicensed use of CCMG Works causes the value of those works to drop substantially and impedes CCMG's ability to license.

- 26. Fifth, to the extent that CCMG wishes to license its musical compositions in connection with AI training or other AI-related uses in the future, the fact that Anthropic is already exploiting the CCMG Works without any license will unavoidably undermine CCMG's ability to negotiate and enter such a license from an equal bargaining position.
- 27. Sixth, CCMG's songwriters are deeply protective of the musical compositions they have created, which have significant personal and religious meaning to them. Our songwriters have entrusted CCMG to advocate on their behalf and protect their works. If Anthropic is permitted to continue to violate our copyrights and exploit the CCMG works without authorization, it will cause immeasurable harm to our relationships with the songwriters we represent.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this \( \frac{3}{2} \) day of November, 2023 in Nashville, TN.

#### CERTIFICATE OF SERVICE

I hereby certify that on November 16, 2023, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following:

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s/ Steven A. Riley